

**AMENDMENT NO. 1
TO THE AGREEMENT BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA
AND
SIEMENS WATER TECHNOLOGIES CORP.**

This agreement ("Amendment No. 1") is made and entered into on this ____ day of _____, 2008 ("Effective Date") by and between the City of Santa Clara, California, a chartered California municipal corporation, with its principal place of business located at 1500 Warburton Avenue, Santa Clara, California 95050 ("City") and Siemens Water Technologies Corp. a California corporation with its principal place of business located at 1661-A Industrial Road, San Carlos, CA 94070, ("Contractor"). Contractor and City may be referred to herein individually as a "Party" or collectively as the "Parties" or the "Parties to this Amendment No. 1."

RECITALS

- A. The Parties previously entered into an agreement entitled "Agreement for the Performance of Services by and Between the City of Santa Clara and Siemens Water Technologies Corp.," dated August 13, 2007 (the "Original Agreement"); and
- B. The Parties entered into the Original Agreement for the purpose of having Contractor perform system service checks, exchange filter cartridges and service DI tanks as required for the Generation Facilities.

In consideration of the above Recitals and the following mutual covenants and obligations, the Parties agree as follows:

AGREEMENT PROVISIONS

- 1. That Exhibit B of the Original Agreement, entitled "Schedule of Fees" is hereby amended to read as follows: In no event shall the amount billed to City by Contractor for Services under this Agreement exceed one hundred fifty thousand (\$150,000.00) dollars, subject to budget appropriation.

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2. All other terms of the Original Agreement which are not in conflict with the provisions of this Amendment No. 1 shall remain unchanged in full force and effect. In case of a conflict in the terms of the Original Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 1 as evidenced by the following signatures of their duly authorized representatives. It is the intent of the Parties that this Amendment No. 1 shall become operative on the Effective Date first set forth above.

**CITY OF SANTA CLARA, CALIFORNIA,
a chartered California municipal corporation**

APPROVED AS TO FORM:

HELENE L. LEICHTER
City Attorney

JENNIFER SPARACINO
City Manager

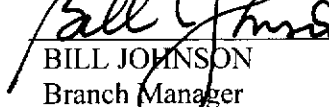
ATTEST:

ROD DIRIDON, JR.
City Clerk

1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Facsimile: (408) 241-6771

"City"

**SIEMENS WATER TECHNOLOGIES CORP.
a California corporation**

By: 
BILL JOHNSON
Title: Branch Manager
Address: 1661-A Industrial Road
San Carlos, CA 94070
Telephone: (650) 637-3290
:
Facsimile: (650) 637-3290

"Contractor"